

ASX: WSA

Dear Shareholder

#### Important information regarding the 2021 Annual General Meeting

Western Areas Ltd (ASX:WSA) (**Western Areas** or **Company**) advises that its 2021 Annual General Meeting (**AGM**) will be held as a hybrid meeting as follows:

**Time:** 3:00 pm (AWST)

Date: Thursday, 18 November 2021

Place: Fraser's Function Room 2 Fraser Avenue Kings Park, Western Australia, 6005

Online: https://web.lumiagm.com/318004417

The Notice of Meeting for the AGM can be accessed from the following link on the Company's website at <u>www.westernareas.com.au/investor-centre/asx-announcements</u>. It is also available from the Company's announcements platform on the ASX at <u>www.asx.com.au</u>.

The Company will not be posting hard copies of the Notice of Meeting to shareholders who have not elected to receive notices electronically. Notwithstanding this, if you would like to receive a hard copy of the Notice of Meeting, please contact the Company, by telephone +61 8 9334 7777, or by email at info@westernareas.com.au.

The Company's Annual Report is also available on the Company's website at www.westernareas.com.au.

In planning for the AGM, Western Areas has focused on ensuring the safety of shareholders and its employees while seeking to maximise the opportunity for shareholder participation. Having regard to the ongoing uncertainty about the restrictions which may apply for wholly physical meetings, the Company at this time, plans to hold the AGM both online and in person (ie as a hybrid meeting).

Shareholders are encouraged to monitor the Company's website at <u>www.westernareas.com.au</u> for any updates in relation to the arrangements for the AGM.

#### Attendance via online platform

Shareholders are able to participate in the AGM virtually via the online platform at <u>https://web.lumiagm.com/318004417</u>. The online platform will enable shareholders to listen to the proceedings at the AGM, to view the slides presented at the AGM, vote on resolutions and also ask questions in relation to the business of the AGM.

Western Areas recommends that shareholders should register to participate online at least 15 minutes prior to the scheduled start time of the AGM. To participate and vote online you will need your shareholder number (HIN or SRN, as applicable) and postcode.

Third party proxy holders will need their log-in details, which can be obtained from Computershare on +61 3 9415 4024 one hour prior to the meeting.

Further information on how to participate virtually is set out in the Notice of Meeting (available on the Company's website at <u>www.westernareas.com.au/investor-centre/asx-announcements</u>) and the Lumi Platform Guide (available at <u>www.computershare.com.au/virtualmeetingguide</u>).



### ASX: WSA

#### Attendance in person

The AGM will also be held in person at the Fraser's Function Room 2, Fraser Avenue, Kings Park, Western Australia, 6005. At the physical meeting, the Company will comply with any social distancing Government COVID-19 requirements that may apply at the time. This may include limiting the number of attendees at the AGM or refusing entry to visitors. We ask that you do not attend the AGM if you feel unwell or have been in contact with someone who may have been affected by COVID-19.

#### **Proxy lodgement**

Shareholders who choose to lodge a proxy should follow instructions on their personalised proxy form (enclosed), to be submitted to the Company's share registry by no later than 3:00 pm (AWST) on Tuesday, 16 November 2021.

Regards

Joseph Belladonna CFO & Company Secretary Western Areas Ltd



ACN 091 049 357

# NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY STATEMENT

Meeting to be held at Fraser's Function Room 2, Fraser Avenue, Kings Park, Western Australia, 6005 on Thursday, 18 November 2021 at 3.00pm (WST) and online at <u>https://web.lumiagm.com/318004417</u>

As a result of the potential health risks and the uncertainty regarding Government restrictions in response to the COVID-19 pandemic, Western Areas will provide a facility for shareholders to view and participate in the meeting online and encourages shareholders to lodge a directed proxy form prior to the meeting.

Western Areas' Annual Report is now available on the Company's website www.westernareas.com.au

This Notice of Meeting and Explanatory Statement should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser without delay.

This Notice of Meeting and Online Meeting Guide include detailed information about how shareholders can participate in the meeting (including how to register, view proceedings, vote and ask questions).

# **CONTENTS PAGE**

TIME AND PLACE OF MEETING AND HOW TO VOTE	
Schedule	29
Glossary	27
Explanatory Statement (explaining the proposed resolutions)	10
Notice of Annual General Meeting (setting out the proposed resolutions)	4

#### VENUE

The Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 3.00pm (WST) on Thursday, 18 November 2021 at:

Fraser's Function Room 2

Fraser Avenue

Kings Park, Western Australia, 6005

# YOUR VOTE IS IMPORTANT

The business of the Annual General Meeting (AGM) affects your shareholding and your vote is important.

### **VOTING IN PERSON**

To vote in person, attend the Annual General Meeting on the date and at the place set out above.

# PARTICIPATING AND VOTING ONLINE

Shareholders can attend, vote and ask questions at the AGM using your computer or mobile device, by entering the following URL address in your web browser: <u>https://web.lumiagm.com/318004417</u>

The online AGM platform will allow shareholders to hear from the Chairman, view the Managing Director's presentation, vote and submit questions in real-time.

**Important information:** To participate and vote online you will need your shareholder number (HIN or SRN, as applicable) and postcode. To participate online, shareholders should register at least 15 minutes before the meeting.

Proxy holders will need their log-in details, which can be obtained from Computershare on +61 3 9415 4024 one hour prior to the meeting.

Further information about how to participate via the online AGM platform is available in the Online User Guide, which is available at <u>www.computershare.com.au/virtualmeetingguide</u> and a copy of which is attached to this Notice of Annual General Meeting.

# **Shareholder questions**

Shareholders attending the AGM virtually will be able to ask questions using the below methods:

- Written questions within the Lumi platform
- Verbal questions by calling 1800 271 192 and following the prompts

# **Technical difficulties**

Technical difficulties may arise during the course of the virtual meeting. The Chairman has discretion as to whether and how the meeting should proceed in the event that a technical difficulty arises. In exercising this discretion, the Chairman will have regard to the number of shareholders impacted and the extent to which participation in the business of the meeting is affected. Where the Chairman considers it appropriate, the Chairman may continue to hold the meeting and transact business, including conducting a poll and voting in accordance with valid proxy instructions.

For this reason, shareholders are encouraged to appoint a proxy and submit a directed proxy form, even if they plan to attend the virtual meeting. Similarly, if a shareholder is unable to participate in the virtual meeting, they are encouraged to appoint a proxy and submit a directed proxy form via www.investorvote.com.au. All proxy forms, whether submitted online or in hard copy, must be lodged by 3.00pm (AWST) on Tuesday, 16 November 2021.

# **VOTING BY PROXY**

Voting by proxy can be completed in one of the following ways:

- (a) Online: At www.investorvote.com.au
- (b) Mobile: Scan the QR Code on the enclosed Proxy Form and follow the prompts
- (c) By mail: Complete and sign the enclosed Proxy Form and return the form to:
  - i. Computershare Investor Services Pty Limited

GPO Box 242, Melbourne VIC 3001 Australia

- (d) By fax: Complete and sign the enclosed Proxy Form and fax the form to:
  - i. If you are in Australia, 1800 783 447
  - ii. If you are outside Australia, +61 3 9473 2555
- (e) Custodian voting: For Intermediary Online subscribers only (custodians) please visit www.intermediaryonline.com to submit your voting intentions

Proxy Forms must be received no later than 3.00pm (WST) on Tuesday, 16 November 2021.

# Proxy Forms received later than this time will be invalid.

# **NOTICE OF MEETING**

Notice is given that the Annual General Meeting (**AGM**) of Western Areas Ltd (**Western Areas** or **Company**) will be held at Fraser's Function Room 2, Fraser Avenue, Kings Park, Western Australia, 6005 on Thursday, 18 November 2021 commencing at 3.00pm (WST) and online https://web.lumiagm.com/318004417.

In planning for the AGM, Western Areas has focused on ensuring the safety of shareholders and its employees while seeking to maximise the opportunity for shareholder participation. Having regard to the ongoing uncertainty about the restrictions which may apply for wholly physical meetings, the Company at this time, plans to hold the AGM both online and in person (ie as a hybrid meeting).

Shareholders are encouraged to monitor the Company's website at <u>www.westernareas.com.au</u> and the Company's announcements platform on the ASX at <u>www.asx.com.au</u> for any updates in relation to arrangements for the AGM.

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the AGM. The Explanatory Statement, Schedule and the enclosed Proxy Form are part of this Notice of Meeting.

Terms and abbreviations used in this Notice of Meeting, Schedule and Explanatory Statement are defined in the Glossary.

#### AGENDA

# WELCOME ADDRESS

By Mr Ian Macliver, Independent Non-Executive Chairman.

#### FINANCIAL STATEMENTS AND REPORTS

To receive and consider the Annual Financial Report of the Company for the financial year ended 30 June 2021, together with the Declaration of the Directors, the Directors' Report, the Remuneration Report and the Auditor's Report.

Note: There is no requirement for Shareholders to approve these reports.

#### RESOLUTIONS

#### Resolution 1 – Re-election of Independent Non-Executive Director – Mr Richard Yeates

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

"That Mr Richard Yeates, who retires by rotation in accordance with clause 17.4 of the Constitution and Listing Rule 14.4 and, being eligible for re-election, be re-elected as a Director of the Company."

# **Resolution 2 – Adoption of Remuneration Report**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a non-binding resolution:

"That, for the purpose of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report as contained in the Company's Annual Financial Report for the financial year ended 30 June 2021 be adopted."

Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting prohibitions for Resolution 2 are set out under the heading "Entitlement to Vote" below.

# **Resolution 3 – Non-Executive Director Fee Pool**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

"That, for the purposes of clause 17.8 of the Constitution, Listing Rule 10.17 and all other purposes, the aggregate remuneration payable to the non-executive Directors in any financial year be increased by \$250,000 from \$1,000,000 to \$1,250,000 per annum."

Voting prohibitions and voting exclusions for Resolution 3 are set out under the heading "Entitlement to Vote" below.

#### **Resolution 4 - Grant of Performance Rights to Mr Daniel Lougher**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

"That, for the purposes of Listing Rule 10.14, sections 200B and 200E of the Corporations Act and for all other purposes, Shareholders approve the grant of 376,660 Performance Rights to Mr Daniel Lougher (or his nominee) under the terms of the Company's Performance Rights Plan (including the issue or transfer of Shares on the vesting and exercise of those Performance Rights), and otherwise in accordance with the terms and conditions detailed in the Explanatory Statement accompanying this Notice of Meeting."

Voting prohibitions and voting exclusions for Resolution 4 are set out under the heading "Entitlement to Vote" below.

# **Resolution 5 – Adoption of Proportional Takeover Provisions**

To consider and, if thought fit, to pass the following resolution as a special resolution:

"That, for the purposes of section 648G of the Corporations Act and all other purposes, the Company continue to adopt and renew the proportional takeover provisions in the Constitution that were last approved on 22 November 2018, to have effect for a period of three years from the date of the Annual General Meeting."

# **Resolution 6 – Approval of prior issue of Placement Shares**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

"That the issue by the Company of 39,534,884 fully paid ordinary shares in the Company to institutional, sophisticated and professional investors pursuant to the placement announced to ASX on 9 March 2021, as detailed in the Explanatory Statement, be approved under and for the purposes of Listing Rule 7.4 and for all other purposes in accordance with the terms and conditions detailed in the Explanatory Statement accompanying this Notice of Meeting."

A voting exclusion for Resolution 6 is set out under the heading "Entitlement to Vote" below.

# **CHAIRMAN'S VOTING INTENTION**

The Chairman of the Meeting (where appropriately authorised) intends to vote all available undirected proxies in favour of all Resolutions.

# ENTITLEMENT TO VOTE

# **Resolution 2 – Adoption of Remuneration Report**

# **Voting Prohibitions**

A vote on Resolution 2 must not be cast:

- (a) in any capacity, by or on behalf of either a member of Key Management Personnel (**KMP**) of the Company, details of whose remuneration is included in the Remuneration Report or a closely related party (as defined in the Corporations Act) of such a member; and
- (b) by a person (subject to the exception below) appointed as a proxy if the person is either a member of KMP or a closely related party of KMP.

However, a person (**Voter**) described above may cast a vote on Resolution 2 as a proxy if the vote is not cast on behalf of a person who is excluded from voting and either:

- (a) the Voter is appointed as proxy in writing that specifies the way the proxy is to vote on Resolution 2; or
- (b) the Voter is the Chairman of the Meeting, and the appointment of the Chairman as proxy for a person entitled to vote on Resolution 2:
  - i. does not specify a voting direction; and
  - ii. expressly authorises the Chairman to exercise the proxy even though Resolution 2 is connected indirectly or directly with the remuneration of the KMP of the Company.

KMP are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, whether directly or indirectly. Members of KMP include its Directors and certain senior executives.

The Chairman of the Meeting (where appropriately authorised) intends to vote all available undirected proxies in favour of Resolution 2.

# **Resolution 3 – Non Executive Director Fee Pool**

# **Voting Exclusion**

The Company will disregard any votes cast on Resolution 3 by or on behalf of a Director or an associate (as defined in the Listing Rules) of a Director. However, a vote will not be disregarded if the vote is cast in favour of Resolution 3 by:

- (a) a person as proxy or attorney for a person who is entitled to vote on Resolution 3, in accordance with directions given to the proxy or attorney to vote on Resolution 3 in that way on the proxy form;
- (b) the Chairman of the Meeting as proxy or attorney for a person who is entitled to vote on Resolution 3, in accordance with a direction given to the Chairman of the Meeting to vote on Resolution 3 as the Chairman decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary, provided the following conditions are met:
  - i. the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on Resolution 3; and
  - ii. the holder votes on Resolution 3 in accordance with directions given by the beneficiary to the holder to vote in that way.

# **Voting Prohibition**

A person appointed as proxy must not vote, on the basis of that appointment, on Resolution 3 if the person is either a member of KMP or a closely related party of KMP and the appointment does not specify the way the proxy is to vote on the resolution.

However, the above paragraph does not apply if:

- (a) the KMP is the Chairman of the Meeting; and
- (b) the appointment expressly authorises the Chairman of the Meeting to exercise the proxy even though Resolution 3 is connected with the remuneration of a member of KMP.

The Chairman of the Meeting (where appropriately authorised) intends to vote all available undirected proxies in favour of Resolution 3.

# **Resolution 4 – Approval of Grant of Performance Rights to Mr Daniel Lougher**

# **Voting Exclusion**

The Company will disregard any votes cast on Resolution 4 by or on behalf of a person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Company's Performance Rights Plan (including Mr Daniel Lougher) or any of their associates.

However, a vote will not be disregarded if the vote is cast in favour of Resolution 4 by:

- (a) a person as proxy or attorney for a person who is entitled to vote on Resolution 4, in accordance with directions given to the proxy or attorney to vote on Resolution 4 in that way on the proxy form;
- (b) the Chairman of the Meeting as proxy or attorney for a person who is entitled to vote on Resolution 4, in accordance with a direction given to the Chairman of the Meeting to vote on Resolution 4 as the Chairman decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary, provided the following conditions are met:

- i. the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on Resolution 4; and
- ii. the holder votes on Resolution 4 in accordance with directions given by the beneficiary to the holder to vote in that way.

# **Voting Prohibitions**

A vote on Resolution 4 must not be cast (in any capacity) by Mr Lougher or any of his associates.

However, subject to the voting exclusion above and the further voting prohibition below, this does not prevent the casting of a vote if:

- (a) it is cast by a person as a proxy appointed in writing that specifies how the proxy is to vote on the resolution; and
- (b) it is not cast on behalf of Mr Lougher or any of his associates.

A person appointed as proxy must not vote, on the basis of that appointment, on Resolution 4 if the person is either a member of KMP or a closely related party of KMP and the appointment does not specify the way the proxy is to vote on the resolution.

However, the above paragraph does not apply if:

- (a) the KMP is the Chairman of the Meeting; and
- (b) the appointment expressly authorises the Chairman of the Meeting to exercise the proxy even though Resolution 4 is connected with the remuneration of a member of KMP.

The Chairman of the Meeting (where appropriately authorised) intends to vote all available undirected proxies in favour of Resolution 4.

# Resolution 6 – Approval of prior issue of Placement Shares

# **Voting Exclusion**

The Company will disregard any votes cast on Resolution 6 by or on behalf of any of the persons who participated in the issue of the ordinary shares the subject of Resolution 6 or any of their respective associates (as defined in the Listing Rules).

However, a vote will not be disregarded if the vote is cast in favour of Resolution 6 by:

- (a) a person as proxy or attorney for a person who is entitled to vote on Resolution 6, in accordance with directions given to the proxy or attorney to vote on Resolution 6 in that way on the proxy form;
- (b) the Chairman of the Meeting as proxy or attorney for a person who is entitled to vote on Resolution 6, in accordance with a direction given to the Chairman of the Meeting to vote on Resolution 6 as the Chairman decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary, provided the following conditions are met:
  - i. the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on Resolution 6; and
  - ii. the holder votes on Resolution 6 in accordance with directions given by the beneficiary to the holder to vote in that way.

The Chairman of the Meeting (where appropriately authorised) intends to vote all available undirected proxies in favour of Resolution 6.

# **CORPORATE PRESENTATION**

By Daniel Lougher, Managing Director & CEO.

# BY ORDER OF THE BOARD OF DIRECTORS

Daniel Lougher Managing Director & CEO Western Areas Ltd 15 October 2021

# **EXPLANATORY STATEMENT**

The Explanatory Statement accompanying this Notice of Meeting is incorporated in and comprises part of this Notice of Meeting. Shareholders are specifically referred to the Glossary in the Explanatory Statement which contains definitions of capitalised terms used both in this Notice of Meeting and the Explanatory Statement.

# PROXIES

Please note that:

- (a) a member of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company and can be an individual or a body corporate; and
- (c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed Proxy Form provides further details on appointing proxies and lodging proxy forms.

# **PROXIES ON RESOLUTIONS 2, 3 AND 4**

If you appoint the Chairman as your proxy (or the Chairman is appointed by default) and you do not complete any of the boxes "For", "Against" or "Abstain" opposite Resolutions 2, 3 and 4 on the Proxy Form, you will be expressly authorising the Chairman to vote on the relevant Resolution in accordance with the Chairman's stated voting intention, even though the Resolution is connected directly or indirectly with remuneration of a member of KMP. The Chairman intends to vote (where appropriately authorised) all available undirected proxies in favour of all Resolutions.

If you appoint the Chairman as your proxy and wish to direct him how to vote, you can do so by marking the boxes for the relevant Resolution (ie by directing him to vote "For", "Against" or "Abstain").

If you appoint a member of KMP (other than the Chairman) or any closely related party of a member of KMP as your proxy, you must direct that person how to vote on Resolutions 2, 3 and 4 if you want your Shares to be voted on those Resolutions. If you appoint a member of KMP (other than the Chairman) or any closely related party of a member of KMP and you do not direct them how to vote on Resolutions 2, 3 and 4, such a person will not cast your votes on that Resolution and your votes will not be counted in calculating the required majority if a poll is called on that Resolution.

# **CORPORATE REPRESENTATIVE**

Any corporate Shareholder who has appointed a person to act as its corporate representative at the Meeting should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company and/or Computershare Investor Services Pty Limited (being the Company's share registry) in advance of the Meeting or handed in at the Meeting when registering as a corporate representative. An appointment of corporate representative form is available at the Computershare website, if required.

# ENTITLEMENT TO ATTEND AND VOTE

The Directors have determined, pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), that the persons eligible to attend and vote at the AGM are those who are registered Shareholders of the Company at 4.00pm (WST) on Tuesday, 16 November 2021.

# **EXPLANATORY STATEMENT**

This Explanatory Statement has been prepared for the information of Shareholders in relation to the business to be conducted at the Company's AGM to be held on Thursday, 18 November 2021 at 3.00pm (WST).

The purpose of this Explanatory Statement is to provide Shareholders with information known to the Company which is material to a decision on how to vote on the Resolutions.

This Explanatory Statement should be read in conjunction with the Notice of Meeting and Proxy Form. Capitalised terms in this Explanatory Statement are defined in the Glossary.

# FINANCIAL STATEMENTS AND REPORTS

In accordance with the Corporations Act, the business of the AGM will include receipt and consideration of the Annual Financial Report of the Company for the financial year ended 30 June 2021 together with the declaration of the Directors, the Directors' Report, the Remuneration Report and the Auditor's Report.

There is no requirement for Shareholders to approve these reports. However, the Chairman will allow a reasonable opportunity for Shareholders to ask questions or make comments about those reports and the management of the Company. The Company's auditor, Crowe Perth, will be present at the AGM and Shareholders will be given a reasonable opportunity to ask the auditor questions about the conduct of the audit and the preparation and content of the Auditor's Report.

In addition to the taking of questions at the AGM, written questions to the Chairman about the management of the Company or to the Company's auditor about:

- the preparation and content of the Auditor's Report;
- the conduct of the audit;
- accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- the independence of the auditor in relation to the conduct of the audit, may be submitted no later than five business days before the Meeting date (that is, by 3.00pm (WST) on Thursday, 11 November 2021) to the Company Secretary.

# **RESOLUTION 1 – RE-ELECTION OF DIRECTOR – MR RICHARD YEATES**

# Background to resolution

Clause 17.4(a) of the Constitution and Listing Rule 14.4 provide that no Director (other than the Managing Director) may hold office for longer than three years or the third annual general meeting following their last election, whichever is longer, without retiring and re-submitting themselves for re-election. As such, Mr Yeates retires from office as at this AGM and, being eligible, submit himself for re-election as a Director of the Company.

# About the Director

# Mr Yeates - BSc (Geology), MAusIMM, GAICD

Mr Yeates is an experienced international mining executive with 40 years industry experience in the fields of mineral exploration, project management, feasibility studies, project finance audits, project development and transactions. He was a founding director, major shareholder and principal consultant of Resource Service Group (RSG), subsequently RSG Global and Coffey Mining, growing a boutique Goldfields consulting entity into an international enterprise over a

20 year period, culminating in the business sale to Coffey International Limited (now Tetra Tech) in 2006. Mr Yeates' experience covers a wide range of commodities (including nickel, copper, lead, zinc, tin, tungsten, gold, coal and mineral sands), in 39 countries on five continents.

Mr Yeates is the Chairman of the Nomination Committee and a member of the Remuneration Committee.

### **Board recommendation**

The Board (other than Mr Yeates because of his interest in this Resolution 1) unanimously recommends that Shareholders vote in favour of Resolution 1, as Mr Yeates is a proven and valuable member of the Board and his skills and experience continue to align with the Company's current strategic direction and skills matrix requirements.

# **RESOLUTION 2 – ADOPTION OF REMUNERATION REPORT**

#### **Background to resolution**

The Company's remuneration framework has been overwhelmingly supported by Shareholder vote at all recent annual general meetings. There has been no material change to the remuneration structures or incentive programmes during the most recent financial year.

A summary of the Company's remuneration framework is provided below. Full details of the remuneration outcomes can be found in the Remuneration Report contained in the Company's 2021 Annual Report.

#### **Executive remuneration framework**

The remuneration framework is structured to align the Company closely to current market practice, most significantly around long term incentives (LTI). As such, the components of total annual remuneration for senior executives in FY21 included fixed remuneration (comprised of base salary, superannuation and non-monetary benefits, including salary sacrifice), target short term incentives (STI) and target LTIs. The annual LTI grant serves to place a larger portion of an executive's remuneration at-risk and to focus the executives on long-term Shareholder value generation.

#### **Fixed remuneration**

Base levels of remuneration for Directors and senior executives are benchmarked against market data for comparable roles in the market and external independent salary reports are reviewed to ensure that the remuneration levels are set to meet the objectives of the Company, while remaining competitive in the wider employment market. The fixed remuneration levels of senior executives for FY21 remained comparable to market peers.

#### Short-term incentive (STI)

Based on the achievements of the Company in FY21, the Remuneration Committee determined that Executives achieved between 49% and 54% of their target STI opportunity. It is noted that no KMP achieved 100% of their target STI award and that the Board exercised downward discretion and reduced the triggered cash flow and earnings KPIs by 50%. Noting the first half of the financial year was impacted by unplanned mining related issues, following a reset of the mine plan, the second half of the financial year operational and financial performance was much improved. Key outcomes included:

- The Company maintained a class leading performance in safety and environmental management throughout the year;
- Odysseus mine development progressing to schedule with underground development and surface construction advancing as planned;
- Maiden AM6 Probable Reserves of 2.1Mt at 2.2% for a total of 47,100 Ni tonnes;
- Advancement of new mining studies and construction and commissioning of life extension projects, such as the heap leach project, at the Forrestania nickel operation;
- Exploration success at Western Gawler; and
- Completion of certain strategic corporate development initiatives that have strengthened optionality within the Company's portfolio.

STI payments have historically fluctuated up and down in line with Company performance. The table below demonstrates the variability in awards received over time.

Year Ended 30 June	2021	2020	2019	2018	2017	2016
Average KMP STI Payout %	55%	68%	82%	82%	83%	56%

The Remuneration Report for FY21 includes detail on the KPIs that were used to assess performance and the rationale for their choice.

# Long-term incentive (LTI)

The Company's Shareholder-approved Performance Rights Plan has been in operation for ten years and was overwhelmingly re-approved at the 2019 annual general meeting. The intention of the LTI scheme is for KMP to receive a grant of Performance Rights each year, ensuring that an LTI forms a key component of KMP total annual remuneration. This ensures that KMP are focussed on long-term sustainable Shareholder value generation, while also acting as a retention mechanism in the specialised industry in which we operate.

LTI grants for FY21 will be on the following basis:

- (a) The LTI dollar value of grants made to KMP is set at a fixed percentage of their total fixed remuneration (TFR), ranging from 50% to 100% (100% is applicable solely to the Managing Director), depending on the KMP's position within the Company. TFR is defined as the KMP's base salary plus superannuation.
- (b) The LTI dollar value of a participant's grant is then converted to a number of Performance Rights, based on the market value (10 trading day volume weighted average price) of Shares prior to the commencement date of the performance testing period.
- (c) The Performance Rights will vest subject to a relative total shareholder return (TSR) hurdle, with the Company's TSR performance being assessed against a customised peer group of companies of a similar nature. No Performance Rights will vest unless the percentile ranking of the Company's TSR for the relevant performance period, as compared to the TSR results for the peer group companies, is at or above the 50th percentile.

The Company utilises relative TSR performance rankings, as measured against a customised resources company peer group, as this measure gives a better reflection of company performance as compared to companies that encounter similar cyclical commodity price market conditions. This effectively normalises the fluctuation of commodity prices, as these are outside the ability of the KMP to control. The Remuneration Committee continues to believe that this is the most relevant and appropriate measure.

(d) The FY21 grants are measured over a three year period which aligns with common market practice.

#### **Executive service agreements**

All senior executives are employed under executive service agreements that broadly align with current market practices and are in accordance with current laws. The executive service agreements include notice periods ranging from 3 months up to the standard maximum of 12 months. There were no material changes to these agreements during the financial year.

#### **Non-Executive Director remuneration**

Non-executive Directors' fees remained unchanged during FY21.

### Non-binding Resolution and consequence of voting against Resolution 4

Shareholder approval is being sought to adopt the Remuneration Report under section 250R(2) of the Corporations Act. Shareholders are advised that pursuant to section 250R(3) of the Corporations Act, this Resolution is advisory only and does not bind the Directors or the Company. However, the Corporations Act provides that if the Company's Remuneration Report resolution receives an "against" vote of 25% or more of votes cast at the AGM, the Company's subsequent Remuneration Report must explain the Board's proposed action in response or, if the Board does not propose any action, the Board's reasons for not making any changes. The Board will take into account the outcome of the vote when considering the Company's remuneration policy, even if a 25% "against" vote is not received.

In addition, the Corporations Act sets out a "two strikes" re-election process. Under the "two strikes" re-election process, if the Company's Remuneration Report receives an "against" vote of 25% or more of all votes cast at two consecutive annual general meetings (that is, "two strikes"), a resolution (the "spill resolution") must be put to the second meeting requiring Shareholders to vote on whether the Company must hold another general meeting (known as the "spill meeting") at which all of the Directors must stand for re-appointment, other than the Managing Director. If the spill resolution is approved at the second meeting by a simple majority of more than 50% of the eligible votes cast, the spill meeting must be held within 90 days of that second meeting (unless none of the Directors, other than the Managing Director, stand for re-appointment).

The Company's remuneration report did not receive an "against" vote of 25% or more at the Company's previous annual general meeting held on 19 November 2020. At the 2020 annual general meeting, 99% of votes cast on the resolution to adopt the Remuneration Report were cast in favour of adopting the report.

A reasonable opportunity will be given to Shareholders at the AGM to ask questions about, or make comments on, the Remuneration Report.

# **Board recommendation**

The Non-Executive Directors recommend that Shareholders vote in favour of Resolution 2 to approve the Remuneration Report. The Managing Director, whose remuneration has been disclosed in the Remuneration Report, is interested in the outcome of this Resolution and therefore does not consider it appropriate to make a recommendation to Shareholders about how to vote on this Resolution.

# **RESOLUTION 3 – INCREASE IN NON-EXECUTIVE DIRECTORS' REMUNERATION**

#### **Background to Resolutions**

Listing Rule 10.17 provides that an entity must not increase the total amount of Directors' fees payable by it or any of its child entities without the approval of holders of its ordinary securities. The rule does not apply to the salary of an executive Director. This requirement is also reflected in clause 17.8 of the Constitution.

The maximum aggregate remuneration that may be paid to the Company's non-executive Directors and the non-executive Chairman for their services as Directors is currently set at \$1,000,000 per annum. Resolution 3 seeks Shareholder approval to increase the maximum aggregate remuneration by \$250,000 from \$1,000,000 to \$1,250,000 per annum.

The maximum aggregate fee amount for non-executive Directors has not been reset for 10 years (since 2011). Approval of the fee increase is sought to allow for the remuneration of potential additional Non-Executive Directors, to maintain relativity with peer companies and to meet the remuneration requirements necessary to secure and maintain the highest calibre persons as non-executive Directors of the Company.

The proposed maximum aggregate remuneration level has been determined after consideration of the above factors and after reviewing an independent survey of the remuneration paid by similar companies listed on ASX. The Board believes that the proposed increase in aggregate remuneration is appropriate for the Company and is in line with the remuneration paid by similar companies.

Resolution 3 seeks Shareholder approval for the Company to increase the maximum aggregate amount of fees that may be paid to non-executive Directors per annum.

In accordance with the requirements of Listing Rule 10.17, the Company provides the following information:

- (a) the quantum of the proposed increase in the maximum aggregate amount of non-executive Directors remuneration is \$250,000 per annum;
- (b) the maximum aggregate amount payable to the non-executive Directors of the Company, if Shareholder approval is obtained in respect of Resolution 3, will increase from \$1,000,000 per annum to \$1,250,000 per annum;
- (c) no securities have been issued to a non-executive Director under Listing Rule 10.11 or 10.14 with the approval of Shareholders at any time in the previous 3 years; and
- (d) a voting exclusion statement in relation to Resolution 3 is included in this Notice of Meeting.

# **Board recommendation**

Given the interest of the non-executive Directors (Mr Macliver, Mr Yeates, Dr Streltsova, Mr Netscher and Ms Broughton) in Resolution 3, the Board makes no recommendation to Shareholders regarding this Resolution.

# **RESOLUTION 4 – GRANT OF PERFORMANCE RIGHTS TO MR DANIEL LOUGHER**

#### **Background to Resolutions**

The Company's Shareholders have in the past overwhelmingly supported and approved the Company's Performance Rights Plan. The Performance Rights Plan was last approved at the Company's 2019 annual general meeting held on 21 November 2019. For the purposes of making FY22 grants, Resolution 4 seeks Shareholder approval for the issue of 376,660 Performance Rights to Mr Lougher (or his nominee) (and the acquisition of Shares by him upon the vesting and exercise of such Performance Rights) in accordance with the Performance Rights Plan (FY22 Performance Rights).

# **Listing Rules**

Listing Rule 10.11 sets out a general restriction against issuing equity securities (including Performance Rights) to "related parties" (which includes a company's directors) without shareholder approval. As Managing Director of the Company, Mr Lougher is a "related party" of the Company for the purposes of the Listing Rules.

Listing Rule 10.14 provides that a listed company must not issue equity securities under an employee incentive scheme to:

- (a) a director of the company (Listing Rule 10.14.1); or
- (b) an associate of a director of the company (Listing Rule 10.14.2), unless it obtains the approval of its shareholders.

If approval is given by a company's shareholders under Listing Rule 10.14, separate shareholder approval is not required under either Listing Rule 7.1 or 10.11.

Under Resolution 4, the Company seeks Shareholder approval, under and for the purposes of Listing Rule 10.14, for the grant of the FY22 Performance Rights to Mr Lougher (or his nominee) which constitutes the issue of equity securities to a director or one of the director's associates under an employee incentive scheme. The issue of equity securities contemplated in Resolution 4 to Mr Lougher (or his nominee) falls within Listing Rule 10.14.1, as Mr Lougher is the Managing Director of the Company.

If Resolution 4 is passed, the Company will be able to proceed with the issue of 376,660 FY22 Performance Rights to Mr Lougher (or his nominee) and the issue of Shares upon the vesting and exercise of such Performance Rights. Additionally, as approval pursuant to Listing Rule 7.1 is not required for the issue of the FY22 Performance Rights (because approval is being obtained under Listing Rule 10.14), the issue of the FY22 Performance Rights (and the issue of Shares upon the vesting and exercise of such Performance Rights) will not use up any of the Company's 15% annual placement capacity.

If Resolution 4 is not passed, the Company will not be able to proceed with the issue of 376,660 FY22 Performance Rights to Mr Lougher (or his nominee) and the Company may consider alternative forms of remuneration for Mr Lougher.

#### **Chapter 2E of the Corporations Act**

Chapter 2E of the Corporations Act regulates the provision of "financial benefits" to "related parties" by a public company.

For the purposes of Chapter 2E of the Corporations Act, Mr Lougher, being a Director, is a "related party" of the Company and the grant of the FY22 Performance Rights pursuant to the Performance Rights Plan will constitute the giving of "financial benefits".

The Board (other than Mr Lougher because of his interest in Resolution 4) considers that the grant of the FY22 Performance Rights to Mr Lougher (or his nominee) is an appropriate and reasonable

component of his remuneration, and that the financial benefit represented by the grant of the FY22 Performance Rights falls within the "reasonable remuneration" exception in section 211 of the Corporations Act. For this reason, the Company is not seeking Shareholder approval of Resolution 4 for the purposes of Chapter 2E of the Corporations Act.

#### Sections 200B and 200E of the Corporations Act

The Corporations Act provides that the Company may only give a person a benefit in connection with their ceasing to hold a "managerial or executive office" in the Company or its related bodies corporate if such benefit is approved by Shareholders or an exemption applies (for example, where the benefit together with other benefits does not exceed the payment limits set out in the Corporations Act, including where the aggregate benefits do not exceed one year's average base salary).

The term "benefit" in this context is broad, and may include the accelerated vesting of the FY22 Performance Rights. As outlined in the summary of the terms of the Performance Rights Plan in the Schedule to this Notice, the Board has the discretion to determine that some or all of the FY22 Performance Rights vest early in certain specified circumstances, including upon the cessation of employment of Mr Lougher.

Upon termination of employment, unvested FY22 Performance Rights will be treated in accordance with the rules of the Performance Rights Plan. Under the Performance Rights Plan, where a participant ceases employment or office as a "Bad Leaver" (eg. resignation, serious misconduct, etc.), all unvested Performance Rights will automatically be forfeited by the participant and lapse (unless the Board determines otherwise in its sole and absolute discretion). Where a participant ceases employment or office as a "Good Leaver" (eg. where the participant ceases employment and is not classified as a Bad Leaver, for example upon death, disability, etc.), the Board may determine in its sole and absolute discretion to allow some or all of the unvested Performance Rights held by that participant to vest and be automatically exercised.

If the Board were to exercise its discretion to vest some or all of the FY22 Performance Rights early in the circumstances referred to above, this may amount to the giving of a termination benefit requiring Shareholder approval in accordance with the Corporations Act. Accordingly, Shareholder approval is also being sought for any such benefit which Mr Lougher may receive due to accelerated vesting of Performance Rights.

If Shareholders approve Resolution 4, the maximum number of FY22 Performance Rights that may vest and be exercised on the cessation of Mr Lougher's employment will be 376,660.

Details of Mr Lougher's remuneration, including other termination benefits, are set out under subsection (c) in "Listing Rules information requirements" below.

For Performance Rights, the value of the benefit given upon accelerated vesting will depend on the price of the Company's shares at the time of vesting and the number of Performance Rights that vest. Apart from the future price of Shares being unknown, a number of factors could impact the number of Performance Rights which vest on cessation of employment. Accordingly, the value of the benefit given upon accelerated vesting of the FY22 Performance Rights cannot be calculated at the present time. The following matters will or may affect (as the case may be) the value of the benefit, as they will or may affect (as the case may be) the number of FY22 Performance Rights which vest on cessation of employment:

- (a) the number of unvested FY22 Performance Rights held by Mr Lougher (or his nominee) prior to the cessation of employment;
- (b) the reasons for cessation of employment; and
- (c) the exercise of the Board's discretion at the relevant time.

#### Listing Rule 10.15 information requirements

In compliance with the information requirements of Listing Rule 10.15, Shareholders are advised of the information below.

(a) Identity of the persons to whom Listing Rule 10.14 applies

The FY22 Performance Rights the subject of Resolution 4 will be granted to Mr Daniel Lougher (the Managing Director and Chief Executive Officer of the Company) or, if Mr Lougher so requests and subject to the Board exercising its discretion under the Plan Rules to agree to do so, a nominee of Mr Lougher permitted under the Plan Rules. Mr Lougher falls within Listing Rule 10.14.1 as he is a Director of the Company and any party he nominates to receive the FY22 Performance Rights would be expected to fall within Listing Rule 10.14.2 as an associate of Mr Lougher.

(b) Number and class of securities proposed to be issued

It is proposed that the Company grants Performance Rights to Mr Lougher (or his nominee) pursuant to the Performance Rights Plan.

Resolution 4 seeks approval from Shareholders to allow the Company to grant a maximum of 376,660 FY22 Performance Rights to Mr Daniel Lougher (or his nominee). In circumstances where these FY22 Performance Rights all vest and are all exercised, a maximum of 376,660 Shares may be issued to Mr Lougher (or his nominee).

(c) Details of Mr Lougher's current remuneration package

Listing Rule 10.15.4 requires this Notice of Meeting to include details of Mr Lougher's current total remuneration:

- Total Fixed Remuneration (including superannuation) (TFR) A\$868,829;
- Short term incentive 55% of Base Salary; and
- Long Term Incentive 100% of TFR
- (d) Key terms of issue of the Performance Rights

# Performance period

The FY22 Performance Rights the subject of Resolutions 4 will vest subject to the below vesting conditions and performance hurdles assessed over a three year period.

# Vesting conditions and performance hurdles

The FY22 Performance Rights will only vest subject to satisfaction of both a continuous service condition until 30 June 2024 and a performance condition assessed against a three year relative TSR hurdle for the period 1 July 2021 to 30 June 2024.

The relative TSR performance for the FY22 Performance Rights will be assessed against the performance of a custom peer group of companies as follows:

29 Metals Limited	Mincor Resources NL	Pilbara Minerals Limited
Aurelia Metals Limited	Nickel X Limited	Poseidon Nickel Limited
Base Resources Limited	New Century Resources Limited	Rex Minerals Limited
Hillgrove Resources Limited	Nickel Mines Limited	Sandfire Resources NL
IGO Limited	OM Holdings Limited	Syrah Resources Limited
Jupiter Mines Limited	Orocobre Limited	Talisman Mining Limited
Metals X Limited	Oz Minerals Limited	Westgold Resources Limited
Medusa Mining Limited	Panoramic Resources Limited	Zimplats Holdings Limited

	-	
The FY22 Performance Rights will become	nerformance-	nualified as follows.
The TTZZT enormance rights will become	periornance c	fuanticu as tonows.

Relative TSR performance	Outcome
Less than 50 <sup>th</sup> percentile	Nil
At the 50 <sup>th</sup> percentile	50% of the relevant tranches granted will become performance-qualified
Between the 50 <sup>th</sup> and 75 <sup>th</sup> percentile	For each percentile over the 50 <sup>th</sup> , an additional 2% of the relevant tranches granted will become performance-qualified
At or above the 75 <sup>th</sup> percentile	100% vesting of the relevant tranche

Shareholders should note that, other than in specific circumstances (including, in the event of a change of control event occurring, discussed below), both the three year TSR performance hurdle and the three year service condition must be satisfied in order for the FY22 Performance Rights to vest. As such, other than in specific circumstances, Mr Lougher will not receive any of the potential value from the FY22 Performance Rights until the conclusion of the three-year performance period (eg. at the end of the 2024 financial year). The Company utilises relative TSR performance rankings, as measured against a customised resources company peer group, as this measure gives a better reflection of the Company's performance as compared to companies that encounter similar cyclical commodity price market conditions. This effectively normalises the fluctuation of commodity prices, as these are outside the ability of the KMP to control. The Remuneration Committee continues to believe that this is the most relevant and appropriate measure.

There will be no retesting of performance. Any FY22 Performance Rights that fail to become exercisable due to a failure to satisfy the vesting conditions and performance hurdles will lapse and be forfeited.

The Shares to be issued upon vesting of the FY22 Performance Rights will be fully paid ordinary shares in the capital of the Company on the same terms and conditions as the Company's existing Shares, and will rank equally in all respects with the Company's existing Shares. The Company will apply for official quotation of the Shares on the ASX.

# Change of Control

If a change of control event occurs in relation to the Company, the Board may determine that some or all unvested Performance Rights will vest and be automatically exercised. A change of control event occurs if:

- a person or entity becomes a legal or beneficial owner of 50% or more of the issued share capital of the Company;
- a person or entity becomes entitled to, acquires, holds or has an equitable interest in more than 50% of the issued share capital of the Company; or
- a Court approves, under section 411(4)(b) of the Corporations Act, a proposed compromise or arrangement for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with any other company or companies.

On 19 August 2021, the Company announced that it was in preliminary discussions with IGO Limited (**IGO**) in relation to a possible change of control proposal (**Proposal**). On 21 September 2021, IGO announced that discussions in relation to the Proposal remain at an early stage with due diligence having commenced.

If the Proposal leads to a change of control event occurring, the Board may determine that some or all unvested Performance Rights (including any unvested FY22 Performance Rights the subject of Resolution 4) will vest and be automatically exercised.

Until any terms of the Proposal are agreed, there is no certainty as to whether a transaction will proceed or as to its timing.

In light of the current competitive labour market and as an incentive to assist the Company to retain its key personnel, the Board has determined (on the recommendation of the Remuneration Committee) that should a Board recommended change of control proposal be agreed, it would exercise its discretion to vest any unvested Performance Rights (including those held by Mr Lougher) in the event that a change of control occurs as a consequence of that Board recommended Proposal. The Board does not believe this is an unusual outcome in the event a Board recommended Proposal is agreed.

#### Other terms

A summary of the Performance Rights Plan is outlined in the Schedule to this Notice of Meeting.

(e) Issue price and date of issue

No cash consideration is payable by Mr Lougher at the time of grant of the FY22 Performance Rights, or upon the allocation of Shares to which he may become entitled to on the vesting and exercise of the FY22 Performance Rights.

It is expected that the FY22 Performance Rights will be granted to Mr Lougher (or his nominee) as soon as practicable after Shareholder approval is received and in any event no later than 3 years from the date of the AGM, without obtaining further Shareholder approval.

(f) Previous issues to Mr Lougher under the Performance Rights Plan

The following grants of securities have been made to Mr Lougher under the Performance Rights Plan since it was last approved by Shareholders at the Company's 2019 annual general meeting:

Number of Performance Rights	Remaining Unvested Performance Rights
772,050	772,050

All Performance Rights granted to Mr Lougher since the Performance Rights Plan was last approved were issued for nil consideration. No cash consideration was payable by Mr Lougher for the Shares issued since the Performance Rights Plan was last approved upon the vesting and exercise of the Performance Rights.

(g) Performance Rights rationale and value

The Directors believe that an annual grant of Performance Rights to certain senior executives under the terms of the Performance Rights Plan, so that it forms a key component of KMP total annual remuneration, focusses executives on long-term sustainable Shareholder value generation, while also acting as a retention mechanism in the specialised industry in which the Company operates.

The value of the FY22 Performance Rights to be issued to Mr Lougher under Resolution 4 represents 100% of his annual total fixed remuneration for FY2022. The number of FY22 Performance Rights to be granted to Mr Lougher was calculated by dividing his TFR (\$890,774) by the market price of ordinary shares in the Company, being the volume weighted average price of ordinary shares in the Company over the 10 trading day period up

to 1 July 2021 (being \$2.3649 per share). As the market price is freely observable, the Company has not received an independent valuation of the FY22 Performance Rights.

(h) Eligible participants under the Performance Rights Plan

As at the date of this Notice of Meeting, the Company's Managing Director, Mr Lougher, is the only person of the kind mentioned in Listing Rule 10.14 who is entitled to participate in the Performance Rights Plan. Any future grants to Directors under the Performance Rights Plan will remain subject to Shareholder approval under Listing Rule 10.14.

(i) Loans in relation to the acquisition of Performance Rights

No loans will be made by the Company in connection with the acquisition of the Performance Rights.

(j) Summary of the terms of the Performance Rights Plan

A summary of the material terms of the Performance Rights Plan is set out in the Schedule to this Notice of Meeting.

The details of any Performance Rights issued under the Performance Rights Plan will be published in the Company's Annual Report relating to the period in which the Performance Rights were issued, accompanied by a statement that the approval for the issue of the Performance Rights was obtained under Listing Rule 10.14.

Any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of Performance Rights under the Performance Rights Plan after Resolution 4 is approved (if approved) and who were not named in this Notice of Meeting will not participate until approval is obtained in accordance with Listing Rule 10.14.

A voting exclusion statement for Resolution 4 is included in the Notice of Meeting.

# **Board recommendation**

The Board (other than Mr Lougher given his interest in the outcome of Resolution 4) has considered the corporate governance issues relevant to executive compensation arrangements, including the ASX Corporate Governance Council's "Principles of Good Corporate Governance and Best Practice Recommendations" and has formed the view that the grant of the Performance Rights to Mr Lougher on the terms and conditions set out in this Explanatory Statement is reasonable, that the value and quantum of the Performance Rights are not excessive nor unusual for a company of Western Areas' size, in light of recent market practice of remuneration for officers in similar positions and Mr Lougher's importance (both now and in the future) to the ongoing business operations of the Company.

Furthermore, the Board considers it appropriate to grant the Performance Rights to Mr Lougher, notwithstanding the existence of the Proposal as the annual grant of Performance Rights remains a key reward mechanism for KMP and there is no certainty as to whether the Proposal might proceed or result in a change of control of Western Areas. The Performance Rights will also act as a form of retention incentive for Mr Lougher during this period of uncertainty.

The Board (other than Mr Lougher because of his interest in Resolution 4) unanimously recommends that Shareholders vote in favour of Resolution 4.

# **RESOLUTION 5 – ADOPTION OF PROPORTIONAL TAKEOVER PROVISIONS**

#### **Background to resolution**

Clause 7 of the Constitution, as it applies as at the date of this Notice, has the effect that transfers of Shares acquired under a proportional takeover bid will not be registered unless a resolution approving the bid is passed (or deemed to be passed) by holders of bid class securities. These are known as "proportional takeover bid" approval rules.

Section 648G of the Corporations Act requires that the proportional takeover bid approval rules in the Constitution apply for a maximum period of three years, unless renewed. This requirement is reflected in clause 7 of the Constitution, which contains a "sunset clause". Clause 7 of the Constitution was last renewed at the 2018 annual general meeting, on 22 November 2018. As such, clause 7 of the Constitution will cease to have effect on the third anniversary of its last renewal, being 22 November 2021, unless members resolve by special resolution to further renew them in accordance with the statutory procedure.

These provisions only apply to proportional offers, that is, to takeover offers for less than 100% of each Shareholder's holding and have no application to those takeover bids under which an offer is made for all of the securities in a class of securities.

Resolution 5 is a special resolution, which means that in order to be approved, it must be passed by at least 75% of the votes cast by Shareholders eligible to vote on Resolution 5. If Resolution 5 is approved, the provisions in clause 7 of the Constitution will be renewed for a period of three years from the date of approval, being the date of the Annual General Meeting. A copy of the Constitution is available on the ASX website at <u>www.asx.com.au</u>.

In addition, if Resolution 5 is approved, then for a period of 21 days after the Annual General Meeting, the holders of 10% or more of the Shares will have the right to apply to the court to have the Resolution set aside. The court may set aside the Resolution if it is satisfied in all the circumstances that it is appropriate to do so.

#### Information required by the Corporations Act

#### Proportional takeover bids and the effect of the provisions

A proportional takeover bid is an off-market takeover bid that is sent to all shareholders in a class, offering to purchase only a specified proportion of each shareholder's shares. If a shareholder accepts, the shareholder disposes of that specified portion and retains the balance.

The effect of the proportional takeover provisions is as follows:

- (a) If Resolution 5 is approved and a proportional takeover bid is made for securities of the Company, the Directors will call a meeting of holders of bid class securities to vote on a resolution to approve that bid.
- (b) Each security holder affected will be entitled to vote (except for the bidder and persons associated with the bidder, who may not vote).
- (c) Approval of the bid will require a simple majority of the votes cast.
- (d) This meeting must be held at least 14 days before the day that offers close under the bid, so that holders should know the result of the voting before they have to make up their minds whether or not to accept for their own securities.
- (e) If the approving resolution is rejected before the deadline, the bid cannot proceed and the offer will be taken to have been withdrawn. Any transfers giving effect to takeover contracts for the bid will not be registered.
- (f) If the approving resolution is not voted on, the bid will be deemed to have been approved.

(g) If the approving resolution is passed (or deemed to have been passed), the transfers must be registered (subject to other provisions of the Corporations Act and the Constitution).

The proportional takeover provisions do not apply to full takeover bids.

# Reasons for the proportional takeover provisions

A proportional takeover bid may result in control of the Company changing without Shareholders having an opportunity to dispose of all their Shares. By making a partial bid, a bidder can obtain practical control of the Company by acquiring less than a majority interest. Shareholders are exposed to the risk of not being able to exit their investment in the Company by selling their entire shareholding and consequently being left as a minority Shareholder in the Company. The bidder may be able to acquire control of the Company without payment of an adequate control premium.

The Board believes that the proportional takeover provisions are desirable to give Shareholders protection from these risks. They give effect to a protection that the Corporations Act provisions are intended to provide.

The proportional takeover provisions allow Shareholders to decide if a proportional takeover bid is acceptable in principle, and may assist in ensuring that any proportional takeover bid is appropriately priced.

To assess the merits of the proportional takeover provisions, Shareholders should make a judgement as to what events are likely to occur in relation to the Company during the three year life of those provisions.

In addition to the retrospective discussion of the provisions proposed to be retained, the Corporations Act also requires this Explanatory Statement to discuss the potential future advantages and disadvantages of the proportional takeover provisions for both Directors and Shareholders.

# Current acquisition proposals

Other than as outlined above in the explanatory notes for Resolution 4 above with respect to the Proposal under the heading "Change of Control", as at the day on which this statement is prepared, none of the Directors of the Company is aware of a proposal by a person to acquire, or to increase the extent of, a substantial interest in the Company.

In any event, as at the date of this statement, the current structure of the change of control transaction contemplated by the Proposal does not relate to a proportional takeover bid and therefore the proportional takeover provisions will not operate in respect of the Proposal. The Directors consider it unlikely that any competing proposal may emerge (if any) would be in the form of a proportional takeover bid.

# Review of proportional takeover provisions

The Corporations Act requires this Explanatory Statement to discuss retrospectively the advantages and disadvantages for Directors and Shareholders of the proportional takeover provisions.

While the proportional takeover provisions have been in effect, there have been no takeover bids for the Company, either proportional or otherwise. Consequently there are no actual examples against which to review the advantages or disadvantages of the proportional takeover provisions for the Directors and Shareholders of the Company.

### Advantages of the proposal to shareholders

- (a) Shareholders will have the right to decide, by majority vote, whether an offer under a proportional takeover bid should succeed. The proposal would enable shareholders to act in a cohesive manner and thereby avoid the coercion of shareholders that arises where they believe the offer to be inadequate, but nevertheless accept through fear that other shareholders will accept.
- (b) The proposal would enable shareholders, by combining together, to veto a change of control that would lock them into a minority position.
- (c) The existence of the approval mechanism in the Constitution would make it more probable that any takeover bid will be a full bid for the whole shareholding of each member, so that shareholders may have the opportunity of disposing of all their shares rather than of a proportion only.
- (d) If a proportional takeover bid should be made, the existence of the approval mechanism will make it more probable that a bidder will set its offer price at a level that will be attractive to the shareholders who vote (that is, any proportional takeover offer would be adequately priced).
- (e) Each individual Shareholder may better assess the likely outcome of the proportional takeover bid by knowing the view of the majority of Shareholders and assist in deciding whether to accept or reject an offer under a proportional takeover bid.

# Disadvantages of the proposal to shareholders

- (a) By placing obstacles in the way of proportional takeover bids, the proposal may tend to discourage proportional takeover bids, thus reducing the opportunity for shareholders to sell a portion of their holding (potentially at a premium).
- (b) It is possible (though, in the opinion of the Board, unlikely) that the existence of the provisions might have an adverse effect on the market value of the Company's shares by making a proportional takeover bid less likely and thereby reducing any takeover speculation element in the share price.
- (c) An individual shareholder who wishes to accept a proportional takeover bid will be unable to sell to the bidder unless a majority of shareholders favour the proportional takeover bid.

# Advantages and disadvantages of the proposal for the directors

If the Directors consider that a proportional takeover bid should be opposed, they will be assisted in preventing the bidder from securing control of the Company if the bidder needs a majority of the votes cast by the independent shareholders before it can succeed. However, and in any event, in the context of any proportional takeover bid, the Directors would remain free to make a recommendation on whether or not any relevant offer should be accepted.

On the other hand, under the proposal, if a proportional takeover bid is commenced, the Directors must call a meeting to seek the shareholders' views. They must do so even though the Directors believe that the bid should be accepted.

At present it is only the Directors who express on behalf of the company any formal view on the adequacy or otherwise of a takeover bid. Under the approval mechanism the most effective view on a proportional takeover bid will become the view expressed by the vote of the shareholders themselves at the meeting.

#### **Board Recommendation**

The reasons why the Board has proposed that the Constitution should continue to provide for a shareholder approval on proportional takeover bids are set out above as the advantages of the proposal. The Directors consider that the advantages associated with the proportional takeover provisions outweigh the disadvantages. The Directors consider that Shareholders should have the power to prevent the control of the Company from passing to a bidder without it making a bid for all the bid class shares.

Furthermore, the Directors believe that the approval procedure set out in clause 7 of the Constitution is the best procedure available to shareholders to ensure that they are not forced to accept a proportional offer even though they do not wish the bidder to obtain control of the Company.

The Board therefore considers the resolution retaining the provisions, in the form identical to clause 7 of the Constitution as at the date of this Notice, to be in the interests of Shareholders, and unanimously recommends that shareholders adopt it by voting in favour of this Resolution.

# **RESOLUTION 6 – APPROVAL OF PLACEMENT SHARES**

#### **Background to Resolution 1**

On 12 March 2021, the Company issued 39,534,884 fully paid ordinary shares in the Company under a placement announced to ASX on 9 March 2021 (**Placement Shares**) to institutional, sophisticated and professional investors at an issue price of A\$2.15 per share to raise a total of approximately A\$85 million. Further, as also announced to ASX on 9 March 2021, the Company invited eligible shareholders to invest up to a maximum of A\$30,000 per Shareholder under a share purchase plan which closed on Thursday, 20 April 2021 (**SPP**).

# **Listing Rule requirements**

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the number of equity securities (including ordinary shares) that a company can issue or agree to issue without shareholder approval over any 12 month period to 15% of the fully paid ordinary securities that it had on issue at the start of that period. The issue of the Placement Shares did not fall within any of the exceptions to Listing Rule 7.1, and as it has not yet been approved by Shareholders, it effectively uses up part of the 15% threshold in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval for the 12 month period following the issue date of the Placement Shares (being 12 March 2021).

Listing Rule 7.4 allows shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If approval is obtained, the issue is taken to have been approved under Listing Rule 7.1 and so does not further reduce the company's capacity to issue further equity securities without shareholder approval.

Resolution 6 seeks Shareholder approval under Listing Rule 7.4 to approve the prior issue of 39,534,884 of the Placement Shares made without Shareholder approval under Listing Rule 7.1.

Resolution 6 has been proposed to provide the Company with the maximum flexibility to issue further securities (if necessary) under Listing Rule 7.1 without needing to seek further Shareholder approval. The requirement to obtain Shareholder approval for a future issue, at the time of issue, could limit the Company's ability to take advantage of opportunities that may arise. Although no decision has been made by the Board to undertake any future issue of Shares, the Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1.

If Resolution 6 is passed, the issue of the Placement Shares will be excluded in calculating the Company's 15% limit in Listing Rule 71, effectively increasing the number of equity securities which the Company can issue without Shareholder approval in the 12 month period following the issue date of the Placement Shares.

If Resolution 6 is not approved by Shareholders, the issue of the Placement Shares will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12 month period following the issue date of the Placement Shares.

For the avoidance of doubt, the Shares issued under the SPP fell within an exception to Listing Rule 7.1 and will not reduce the 15% limit.

# Information required by Listing Rule 7.5

In accordance with Listing Rule 7.5, the Company provides the following information:

- (a) The allottees of the Placement Shares were eligible institutional, sophisticated or professional investors introduced by the lead manager to the Placement, or were prospective investors already known to the Company. In accordance with paragraph 7.4 of ASX Listing Rules Guidance Note 21, the Company confirms that none of the allottees of the Placement Shares were:
  - i. related parties of the Company, a member of the Company's key management personnel, a substantial holder in the Company, an adviser to the Company or an associate of any of these parties; and
  - ii. issued more than 1% of the issued capital of the Company, other than:
    - a. Perpetual Investment Management Ltd issued 5,568,906 Placement Shares; and
    - b. Regal Funds Management issued 4,774,496 Placement Shares.
- (b) A total of 39,534,884 Placement Shares were issued by the Company on 12 March 2021 pursuant to Listing Rule 7.1 (ratification of which is sought under Resolution 6). The Placement Shares issued are fully paid ordinary Shares in the Company and rank equally with all other fully paid ordinary shares on issue.
- (c) The issue price was A\$2.15 per Placement Share. The Company has not, and will not, receive any other consideration for the issue of the Placement Shares.
- (d) The funds raised from the issue of the Placement Shares are being used to (among other things) de-risk the funding of the Company's key growth project, the long life Odysseus nickel mine located at the Cosmos Nickel Project.
- (e) A voting exclusion statement is included in this Notice of Meeting.

# Board recommendation

Although no decision has been made by the Board to undertake any future issue of Shares, the Board considers it prudent for the Company to retain as much flexibility as possible to issue additional Shares into the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. As such, the Board believes that Resolution 6 is in the best interests of the Company and its Shareholders, and the Board unanimously recommends that Shareholders vote in favour of the Resolution.

# ENQUIRIES

Shareholders should contact the Company Secretary, Mr Joseph Belladonna on (+61 8) 9334 7777 if they have any queries in respect of the matters set out in these documents.

# GLOSSARY

<b>A\$</b> or <b>\$</b>	Australian dollars.
ASIC	Australian Securities and Investments Commission.
ASX	ASX Limited (ABN 98 008 624 691) or the financial market conducted by it (the Australian Securities Exchange), as the context requires.
Board	the board of Directors.
Company or Western Areas	Western Areas Ltd ABN 68 091 049 357.
Constitution	the constitution of the Company, as amended from time to time.
Corporations Act	Corporations Act 2001 (Cth).
Director	director of the Company.
Explanatory Statement	the explanatory statement that accompanies the Notice.
FY21	the financial year ending 30 June 2021.
FY22	the financial year ending 30 June 2022.
Key Management Personnel or KMP	has the meaning given to the term 'key management personnel' in the Corporations Act, which includes those persons having authority and responsibility for planning, directing or controlling the activities of the Company's consolidated group, either directly or indirectly including any Director (executive and non-executive) of the Company.
Listing Rules	the Listing Rules of the ASX.
LTI	long term incentive.
Meeting or General Meeting or Annual General Meeting or AGM	the meeting convened by the Notice of Meeting.
Notice or Notice of Meeting	this Notice of Annual General Meeting.
Performance Right	an entitlement granted to a participant on the terms set out in the Performance Rights Plan to receive one Share subject to the satisfaction of applicable vesting conditions and/or performance hurdles.
Performance Rights Plan or Plan	the Company's Performance Rights Plan as amended from time to time, and last approved by Shareholders at the Company's 2019 annual general meeting held on 21 November 2019.
Performance Rights Plan Rules or Plan Rules	the rules of the Performance Rights Plan.
Proxy Form	the proxy form enclosed with and forming part of this Notice of Meeting.
Remuneration Committee	the Remuneration Committee established by the Board under the Company's Board Charter.

Resolutions	the resolutions set out in the Notice of Meeting.
Schedule	a schedule to this Notice of Meeting and Explanatory Statement.
Share	fully paid ordinary share in the capital of the Company.
Shareholder	holder of a Share in the Company.
STI	short term incentive.
TSR	total shareholder return.
WST	Australian Western Standard Time.

# SCHEDULE - TERMS OF PERFORMANCE RIGHTS PLAN

A summary of the Performance Rights Plan is set out below:

Purpose:	The purpose of the Performance Rights Plan is to:
	<ul> <li>assist in the reward, retention and motivation of eligible participants;</li> </ul>
	<ul> <li>link the reward of eligible participants to Shareholder value creation; and</li> </ul>
	• align the interests of eligible participants with Shareholders by providing an opportunity to eligible participants to receive an equity interest in the form of Performance Rights.
Eligibility:	The Performance Rights Plan is open to full time and part-time employees of the Company or its related bodies corporate ( <b>Group</b> ), Directors of any member of the Group, and any other person who is declared by the board of the Company ( <b>Board</b> ) to be eligible to participate in the Performance Rights Plan.
Instruments:	The Performance Rights Plan allows the Board to grant Performance Rights, with each Performance Right representing a right to acquire one Share, provided that the relevant vesting conditions and/or performance hurdles are satisfied.
Equity pool:	Unless Shareholders approve otherwise, up to 5% of the issued capital of the Company is available for grant under the Performance Rights Plan (assuming all outstanding Performance Rights granted under the Performance Rights Plan are exercised).
Grant of Performance Rights:	The individual grants of Performance Rights to those eligible to participate in the Performance Rights Plan will be as determined by the Board in its sole and absolute discretion, subject to any necessary Shareholder approvals.
Grant date:	The timing and frequency of the grant of Performance Rights will be as determined by the Board in its sole and absolute discretion.
Exercise price:	An exercise price may be payable in respect of a Performance Right, which is the price to be paid by the participant when exercising the Performance Right, as specified in their relevant invitation to participate. For the avoidance of doubt, the exercise price may be nil.
Life of Performance Rights:	Unless otherwise determined by the Board in its sole and absolute discretion, Performance Rights granted will have a maximum life of 15 years, such that if they are not exercised before the 15 year anniversary of their grant ( <b>Expiry Date</b> ) they will lapse.

Transferability of	Performance Rights will not be transferable, other than:
Performance Rights:	• to a Nominated Party of a participant, where the Board determines that that participant may do so; or
	• on a participant's death, to the participant's legal personal representative.
Nominated Parties:	The Board may, in its sole and absolute discretion, determine that an eligible participant may notify the Board that an invitation to apply for the grant of Performance Rights be given to that eligible participant's Nominated Party, instead of to the eligible participant.
	The Board may, in its sole and absolute discretion, determine whether (and on what conditions) it will make the invitation to an eligible participant's Nominated Party.
	Where the context requires, references to a 'participant' or 'eligible participant' should include to a Nominated Party of that eligible participant.
	Nominated Party means, in respect of an eligible participant:
	• that person's spouse;
	<ul> <li>that person's biological or legally adopted child of at least 18 years of age;</li> </ul>
	• a trustee or trustees of a trust set up wholly for the benefit of one or more eligible participants or a person mentioned in the bullet points above (but not including trusts established by the Company for the purpose of holding and delivering Shares granted pursuant to the Performance Rights Plan);
	<ul> <li>a company in which all of the issued shares are beneficially held by, and all of the voting rights are beneficially held by:</li> </ul>
	$\circ$ the eligible participant; and/or
	<ul> <li>a person or persons mentioned in the bullet points above; or</li> </ul>
	<ul> <li>any other person approved by the Company.</li> </ul>
Rights attaching to Performance Rights:	Participants will have no voting or dividend rights until Performance Rights vest and are exercised, and the participants hold Shares.
Vesting conditions and performance hurdles:	Subject to the terms of the Performance Rights Plan, the vesting of Performance Rights will be conditional on the satisfaction of any vesting conditions and/or performance hurdles which the Board has determined will apply to any Performance Rights.
Vesting notification:	When a Performance Right vests, the Company will issue a vesting notification to the relevant participant and:
	• if a participant's invitation to participate in the Plan provides for the deemed automatic exercise of a Performance Right, no further action is required from the participant and the vested Performance Right will be automatically exercised within a period specified by the Board; or

	<ul> <li>if a participant's invitation to participate in the Plan provides for the manual exercise of a Performance Right, the participant must deliver a signed notice of exercise and pay the exercise price (if any) as directed by the Company, at any time prior to the earlier of the date specified in the vesting notification and the Expiry Date.</li> <li>If the participant does not deliver a signed notice of exercise contemplated by the Plan and pay the exercise price (if any) to or as directed by the Company in relation to a Performance Right by the requisite date, that Performance Right will be automatically forfeited.</li> </ul>
Lapsing conditions:	<ul> <li>Unless otherwise determined by the Board in its sole and absolute discretion, any unvested Performance Rights will lapse on the earlier of:</li> <li>the cessation of a participant's employment or office (subject to the</li> </ul>
	rules governing cessation of employment summarised below);
	<ul> <li>where a participant has acted fraudulently, dishonestly, or wilfully breached their duties;</li> </ul>
	<ul> <li>if any applicable vesting conditions and/or performance hurdles are not, or, in the opinion of the Board, cannot be, achieved by the relevant time; or</li> </ul>
	• the Expiry Date.
Cessation of employment or office:	Where a participant ceases employment or office as a "Bad Leaver", all unvested Performance Rights will automatically be forfeited by the participant and lapse, subject to the Board determining otherwise in its sole and absolute discretion.
	A "Bad Leaver" is defined as a participant whose employment or office ceases in the following circumstances:
	<ul> <li>the participant is dismissed from employment or office due to serious misconduct, material breach of the terms of any contract of employment or office, gross negligence, or other conduct justifying summary dismissal;</li> <li>the participant voluntarily resigns;</li> <li>the participant ceases employment or office for any reason and acts in breach of any post-termination restrictions;</li> <li>the participant being ineligible to hold office for the purposes of Part 2D.6 of the Corporations Act; or</li> <li>any other reason the Board determines in its sole and absolute discretion.</li> </ul>
	Where a participant ceases employment or office as a "Good Leaver", the Board may determine in its sole and absolute discretion to allow some or all of the unvested Performance Rights held by that participant to vest and be automatically exercised.
	A "Good Leaver" is defined as a participant whose employment or office ceases and who is not a Bad Leaver.

Rights attaching to Shares:	All Shares acquired by participants upon the exercise of Performance Rights will rank equally with existing Shares on and from the date of acquisition.
Disposal restrictions on Shares:	Prior to the Board making an invitation to participate in the Plan, the Board may impose disposal restrictions on Shares acquired by participants following the exercise of Performance Rights. The Board may do such things as it considers necessary to enforce a disposal restriction, including using an employee share trust or imposing an ASX holding lock.
	During any Share disposal restriction period, participants will have full dividend and voting rights.
Change of control	A change of control event occurs if:
event:	<ul> <li>a person or entity becomes a legal or beneficial owner of 50% or more of the issued share capital of the Company;</li> </ul>
	<ul> <li>a person or entity becomes entitled to, acquires, holds or has an equitable interest in more than 50% of the issued share capital of the Company; or</li> </ul>
	• a Court approves, under section 411(4)(b) of the Corporations Act, a proposed compromise or arrangement for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with any other company or companies.
	In the event of a change of control event occurring, the Board may determine that some or all unvested Performance Rights will vest and be automatically exercised. Any Performance Rights that the Board determines will not vest in such circumstances will automatically lapse.
Bonus issues:	Subject to the Listing Rules, if there is a "bonus issue" (as that term is defined in the Listing Rules) to the holders of Shares, a participant is entitled (upon vesting of a Performance Right) to receive the number of Shares that the participant would have received if the Performance Right had vested before the record date for the bonus issue.
Pro rata issues:	If the Company makes a pro rata issue to the holders of Shares (except a bonus issue), then the number of Shares over which Performance Rights can be exercised will be reduced in accordance with the Listing Rules.
Reorganisation:	In the event of any reorganisation (including consolidation, sub- division, reduction, return or cancellation) of the issued capital of the Company, the number of Performance Rights to which each participant is entitled will be changed in accordance with the Listing Rules.

Limited rights to participate in new issues:	Subject to the rules above regarding "bonus issues" and "reorganisation", during the currency of any Performance Rights and prior to their vesting, participants are not entitled to any new issues of Shares as a result of their holding Performance Rights.
Buy-back:	The Company may buy-back Performance Rights and/or Shares

The Company may buy-back Performance Rights and/or Shares acquired upon exercise of Performance Rights in accordance with the rules of the Performance Rights Plan.



ABN 68 091 049 357

WSA

# Need assistance?

Online:



Phone: 1300 727 692 (within Australia) +61 3 9415 4000 (outside Australia)

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www.investorcentre.com/contact

MR SAM SAMPLE FLAT 123 123 SAMPLE STREET THE SAMPLE HILL SAMPLE ESTATE SAMPLEVILLE VIC 3030



# YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **3:00pm (AWST) on Tuesday, 16 November 2021.** 

# **Proxy Form**

# How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

#### APPOINTMENT OF PROXY

**Voting 100% of your holding:** Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item without identifying the portion of your voting rights which apply to each of the boxes, your vote will be invalid on that item.

**Voting a portion of your holding:** Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

**Appointing a second proxy:** You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

#### A proxy need not be a securityholder of Western Areas Ltd. SIGNING INSTRUCTIONS FOR POSTAL FORMS

Individual: Where the holding is in one name, the securityholder must sign.

**Joint Holding:** Where the holding is in more than one name, all of the securityholders should sign.

**Power of Attorney:** If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

# PARTICIPATING IN THE MEETING

#### Corporate Representative

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at www.investorcentre.com/au and select "Printable Forms".

Lodge your Proxy Form:

#### Online:

Lodge your Proxy Form online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



Control Number: 999999 SRN/HIN: 199999999999 PIN: 99999 XX

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

Computershare Investor Services Pty Limited GPO Box 242 Melbourne VIC 3001 Australia

By Fax:

1800 783 447 within Australia or +61 3 9473 2555 outside Australia



**PLEASE NOTE:** For security reasons it is important that you keep your SRN/HIN confidential.

Step 1

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 999999999 IND

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Please mark  $|\mathbf{X}|$  to indicate your directions

# Proxy Form

# Appoint a Proxy to Vote on Your Behalf

I/We being a member/s of Western Areas Ltd hereby appoint

the Chairman	P	PLEASE NOTE: Leave this box blank if
of the Meeting OR	y y	ou have selected the Chairman of the
of the meeting	Ň	Aeeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Western Areas Ltd to be held at Fraser's Function Room 2, Fraser Avenue, Kings Park, Perth WA 6005 and virtually on Thursday, 18 November 2021 at 3:00pm (AWST) and at any adjournment or postponement of that meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 2, 3 and 4 in accordance with the Chairman's stated voting intention (except where I/we have indicated a different voting intention in step 2) even though Resolutions 2, 3 and 4 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

**Important Note:** If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 2, 3 and 4 by marking the appropriate box in step 2.

Step 2	Items of Business	<b>PLEASE NOTE:</b> If you mark the <b>Abstain</b> box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.					
			For	Against	Abstain		
Resolution 1	Re-election of Independent Nor	n-Executive Director – Mr Richard Yeates					
Resolution 2	Adoption of Remuneration Rep	ort					
Resolution 3	Non-Executive Director Fee Po	ol					
Resolution 4	Grant of Performance Rights to	Mr Daniel Lougher					
Resolution 5	Adoption of Proportional Takeo	over Provisions					
Resolution 6	Approval of prior issue of Place	ement Shares					

The Chairman of the Meeting (where appropriately authorised) intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

Step 3 Signature of S	Securityholde	er(s) This se	ection must be completed.			
Individual or Securityholder 1	Securityholder 2		Securityholder 3		, ,	
Sole Director & Sole Company Secretary	Director		Director/Company Se	ecretary	/ / Date	
Update your communication de Mobile Number	tails (Optional)	Email Address	By providing your email add of Meeting & Proxy commun		ive future Notice	
WSA	2809	953A		Computers	share -	₽